

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: AIRPORT

AGENDA DATE: August 9, 2011

CONTACT PERSON NAME AND PHONE NUMBER: Monica Lombraña/780-4724

DISTRICT(S) AFFECTED: All Districts

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

This item is a Resolution authorizing the City Manager to sign "Supplemental Lease Agreement No. 1" to Lease No. GS-07B-16867 by and between the City of El Paso and the United States of America regarding the Transportation Security Administration's rental of space in the El Paso International Airport terminal building to accept the tenant improvements as substantially completed and provide for the completion of punch list items, to establish the Commencement date of the lease rental payments, to establish the square footages of the leased space, to provide the annual rental amounts, and to establish the reduction in rent for vacant space.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The U.S. General Services Administration (GSA) is requesting to change the effective date of the Lease for Terminal Space for the Transportation Security Administration from November 1, 2011 to September 1, 2011. As such, the new term for the lease shall commence on September 1, 2011 and terminate on August 31, 2021. Additionally, the Government is amending the timeline for completion of the Tenant Improvements being completed by the El Paso International Airport as required by this lease and accepting these although they have not been completed at this point. Please note that the restated rental rates remain as approved in the original lease.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

May 24, 2011 – Approval of Lease No. GS-0713-16867, effective Nov. 1, 2011, by and between the City of El Paso and the United States of America for space in the terminal building of the El Paso International Airport to be occupied by the Transportation Security Administration (TSA).

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

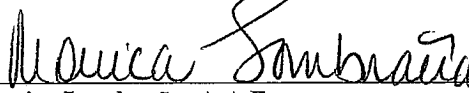
N/A – This is a revenue generating item

BOARD / COMMISSION ACTION: N/A

Enter appropriate comments or N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:


Monica Lombraña, A.A.E.
Director of Aviation

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign "Supplemental Lease Agreement No. 1" to Lease No. GS-07B-16867 by and between the City of El Paso and the United States of America regarding the Transportation Security Administration's rental of space in the El Paso International Airport terminal building to accept the tenant improvements as substantially completed and provide for the completion of punch list items, to establish the Commencement date of the lease rental payments, to establish the square footages of the leased space, to provide the annual rental amounts, and to establish the reduction in rent for vacant space.

ADOPTED this ____ day of _____ 2011.

THE CITY OF EL PASO

ATTEST:


John. F. Cook
Mayor

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:



Monica Lombraña, A.A.E.
Director of Aviation

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT NO 1	DATE
	TO LEASE NO. GS-07B-16867	
ADDRESS OF PREMISES: El Paso International Airport 6701 Convair Road El Paso, TX 79925-1091		
THIS AGREEMENT, made and entered into this date by and between City of El Paso Whose address is: 6701 Convair Road El Paso, TX 79925-1091 hereinafter called the Lessor, and the UNITED STATES OF AMERICA , hereinafter called the Government: WHEREAS , the parties hereto agree to supplement the above Lease. NOW THEREFORE , these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective July 25, 2011, as follows: The Purpose of this Supplemental Lease Agreement (SLA) No. 1 is to (1) To accept the tenant improvements as substantially completed and provide for the completion of punch list items; and (2) establish the Commencement Date of the lease rental payments; and (3) establish the square footages of the leased space; and (4) provide the annual rental amounts; and (5) establish the reduction in rent for vacant space; and (6) all other terms and conditions are in full force and effect as follows: <div style="text-align: center;">See Attached</div> IN WITNESS WHEREOF , the parties subscribe their names as of the above date.		
BY: City of El Paso <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> Signature _____ Printed Name _____ Witnessed in the presence of : _____ Signature _____ Printed Name _____ </div> <div style="width: 45%;"> (Address) _____ (Address) _____ (City, State, Zip) _____ </div> </div>		
UNITED STATES OF AMERICA <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> _____ Thomas Bell </div> <div style="width: 45%;"> Contracting Officer _____ (Official Title) </div> </div>		

APPROVED AS TO FORM:

 Theresa Cullen, Deputy City Attorney

APPROVED AS TO CONTENT:


 Monica Lombraña, A.A.E, Director of Aviation

LTX16867
El Paso International Airport
6701 Convair Road
El Paso, TX 79925-1091

1) The tenant improvements have been substantially completed and the government accepts the leased space on September 1, 2011. The Lessor and the Government agree that the requirements specifically identified in Exhibit "A" of this lease have not been met and these items are deficiencies. The Lessor is required to cure these deficiencies as part of the negotiated lease contract within 60 days of the Government's acceptance of the space for occupancy. Within 7 days of the completion date for the Lessor to cure the deficiencies in Exhibit "A" of this lease, the Lessor must coordinate a follow-up inspection with the Lease Contracting Officer to ensure all corrective action has been completed. In the event of any failure by the Lessor to cure the deficiencies or to provide any required repair or modernization under this lease, the Government will perform the work and deduct these amounts from the rent, including all administrative costs. No extensions will be granted.

2) The commencement date of the rental shall be September 1, 2011 and shall expire on August 31, 2021.

3) The office space square footage shall be 4,932 rentable square feet yielding 4,932 ANSI/BOMA Office Area (ABOA).

4) The Government shall pay the Lessor annual rent as follows:

From September 1, 2011 through August 31, 2016 the total annual rent shall be \$232,286.30. The total annual rent consists of Shell Rent of \$205,960.32 and Operating Costs of \$24,117.48 plus annual Operating Cost adjustments, and annual Tenant Improvement Amortization cost of \$2,208.50.

From September 1, 2016 through August 31, 2021 the total annual rent shall be \$264,059.28. The total annual rent consists of Shell Rent of \$239,941.80 and Operating Costs of \$24,117.48 plus annual Operating Cost adjustments. There shall be no annual Tenant Improvement costs.

5) The Government's vacant space reduction shall be of \$0.00/RSF.

6) All other terms and conditions of the lease shall remain in full force and effect.

Gov't Initials _____

Lessor Initials: _____

Offeror's Response to Special Requirements
SFO No. 9TX2770

SPECIAL REQUIREMENTS: 1 Install a sink in the screener break room.

Description	Unit Cost	# Units/Hrs	Total
Carpenter	\$ 18.00	25	\$ 450.00
Trades Helper	\$ 14.00	25	\$ 350.00
Plumber (x2)	\$ 22.00	120	\$ 2,640.00
Materials	\$ 1,361.00	1	\$ 1,361.00
Total Estimate			\$ 4,801.00

Includes a double sink with disposal with a 5' cabinet and Formica countertop. The cost is high because the sewer line has to be extended from the adjoining room to the break room, where the tenant has requested the sink be installed. Staff will have to break the floor, burrow through the floor and wall to pull the sewer line about 12 feet to allow the sink to drain.

SPECIAL REQUIREMENTS: 2 Paint walls.

Description	Unit Cost	# Units/Hrs	Total
Painter	\$ 22.00	40	\$ 880.00
Painter Helper	\$ 19.00	40	\$ 760.00
Paint and primer	\$ 750.00	1	\$ 750.00
Operating materials	\$ 49.00	1	\$ 49.00
Total Estimate			\$ 2,439.00

Includes patching and painting of the walls in the areas included in this lease.

SPECIAL REQUIREMENTS: 3 Replace carpet.

Description	Unit Cost	# Units/SF	Total
Carpet	\$ 2.75	670	\$ 1,842.50
Labor	\$ 1.00	670	\$ 670.00
Total Estimate			\$ 2,512.50

Includes removal of old carpet, disposal, adhesive and installation of carpet in the 670-SF office area in the east concourse.

GRAND TOTAL ESTIMATE **\$ 9,752.50**

GOV'T 

LESSOR 